



QUARTERLY STATEMENT
AS OF September 30, 2011
OF THE CONDITION AND AFFAIRS OF THE
TOTAL HEALTH CARE, INC.

NAIC Group Code	1238 (Current Period)	1238 (Prior Period)	NAIC Company Code	95644	Employer's ID Number	38-2018957
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[X] No[] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	07/01/1973		Commenced Business	05/01/1976		
Statutory Home Office	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)		DETROIT, MI 48202 (City, or Town, State and Zip Code)			
Main Administrative Office	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)					
	DETROIT, MI 48202 (City or Town, State and Zip Code)		(313)871-2000 (Area Code) (Telephone Number)			
Mail Address	3011 W. GRAND BLVD. SUITE 1600 (Street and Number or P.O. Box)		DETROIT, MI 48202 (City, or Town, State and Zip Code)			
Primary Location of Books and Records	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)					
	DETROIT, MI 48202 (City, or Town, State and Zip Code)		(313)871-2000 (Area Code) (Telephone Number)			
Internet Web Site Address	TOTALHEALTHCAREONLINE.COM					
Statutory Statement Contact	NICOLE KHODADADEH, CFO (Name)		(313)871-6402 (Area Code)(Telephone Number)(Extension)			
	NKHODADADEH@THC-ONLINE.COM (E-Mail Address)		(313)871-4762 (Fax Number)			

OFFICERS

Name	Title
RANDY NAROWITZ	EXECUTIVE DIRECTOR
KATHLEEN THERESA KATHER	TREASURER
ROBYN JAMES ARRINGTON JR.,M.D.	MEDICAL DIRECTOR
DOUGLAS PAUL BAKER	CHAIRPERSON
RUBY OCTAVIA COLE	SECRETARY

OTHERS

DIRECTORS OR TRUSTEES

JEANETTE ABBOTT	DOUGLAS PAUL BAKER
RUBY OCTAVIA COLE	KATHLEEN THERESA KATHER
GERTRUDE HELEN MINKIEWICZ	VERLANDO SIMS
ELIZABETH PRATCHER	

State of Michigan
County of WAYNE ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) RANDY NAROWITZ (Printed Name) 1. EXECUTIVE DIRECTOR (Title)	(Signature) KATHLEEN THERESA KATHER (Printed Name) 2. TREASURER (Title)	(Signature) DOUGLAS PAUL BAKER (Printed Name) 3. CHAIRPERSON (Title)
--	--	---

Subscribed and sworn to before me this _____ day of _____, 2011	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[] _____ _____ _____
_____ (Notary Public Signature)		

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	1,244,948		1,244,948	1,242,358
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks	16,515,304		16,515,304	15,424,225
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....22,262,913), cash equivalents (\$.....0) and short-term investments (\$.....6,197,469)	28,460,382		28,460,382	25,071,609
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets				
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	46,220,634		46,220,634	41,738,192
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	9,599		9,599	4,820
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection	838,749		838,749	1,076,122
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	5,306		5,306	73,106
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software				
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				67,954
24.	Health care (\$.....1,520,900) and other amounts receivable	2,065,825	544,925	1,520,900	2,577,092
25.	Aggregate write-ins for other than invested assets	150,710	143,541	7,169	
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	49,290,823	688,466	48,602,357	45,537,286
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	49,290,823	688,466	48,602,357	45,537,286
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Prepaid Expenses	143,541	143,541		
2502.	Other Receivables	7,169		7,169	
2503.	.....			
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	150,710	143,541	7,169	

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.0 reinsurance ceded)	17,924,003		17,924,003	16,715,198
2.	Accrued medical incentive pool and bonus amounts	812,177		812,177	1,235,377
3.	Unpaid claims adjustment expenses	403,198		403,198	376,007
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	19,728		19,728	18,766
9.	General expenses due or accrued	77,715		77,715	84,323
10.1	Current federal and foreign income tax payable and interest thereon (including \$.0 on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.0 current) and interest thereon \$.0 (including \$.0 current)				
15.	Amounts due to parent, subsidiaries and affiliates				
16.	Derivatives				
17.	Payable for securities				
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with (\$.0 authorized reinsurers and \$.0 unauthorized reinsurers)				
20.	Reinsurance in unauthorized companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.0 current)				
24.	Total liabilities (Lines 1 to 23)	19,236,821		19,236,821	18,429,671
25.	Aggregate write-ins for special surplus funds	X X X	X X X		
26.	Common capital stock	X X X	X X X		
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X		
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	29,365,536	27,107,615
32.	Less treasury stock, at cost:				
32.1	.0 shares common (value included in Line 26 \$.0)	X X X	X X X		
32.2	.0 shares preferred (value included in Line 27 \$.0)	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	29,365,536	27,107,615
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	48,602,357	45,537,286
DETAILS OF WRITE-INS					
2301.					
2302.					
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				
2501.		X X X	X X X		
2502.		X X X	X X X		
2503.		X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.		X X X	X X X		
3002.		X X X	X X X		
3003.		X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	473,272	488,443	647,088
2.	Net premium income (including \$.....0 non-health premium income)	X X X	139,190,824	134,492,132	180,351,518
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X			
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	139,190,824	134,492,132	180,351,518
Hospital and Medical:					
9.	Hospital/medical benefits		87,381,533	87,746,166	117,354,824
10.	Other professional services		3,725,898	3,670,921	4,797,140
11.	Outside referrals				
12.	Emergency room and out-of-area		13,179,998	12,914,282	17,242,235
13.	Prescription drugs		10,761,383	10,663,433	14,031,522
14.	Aggregate write-ins for other hospital and medical		684,930	752,471	973,423
15.	Incentive pool, withhold adjustments and bonus amounts		508,639	(754,979)	(302,735)
16.	Subtotal (Lines 9 to 15)		116,242,381	114,992,294	154,096,409
Less:					
17.	Net reinsurance recoveries		125,501	313,366	528,545
18.	Total hospital and medical (Lines 16 minus 17)		116,116,880	114,678,928	153,567,864
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....0 cost containment expenses		273,691	278,975	367,718
21.	General administrative expenses		21,987,870	21,634,660	28,832,539
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		138,378,441	136,592,563	182,768,121
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	812,383	(2,100,431)	(2,416,603)
25.	Net investment income earned		32,246	52,882	64,546
26.	Net realized capital gains (losses) less capital gains tax of \$.....0				
27.	Net investment gains or (losses) (Lines 25 plus 26)		32,246	52,882	64,546
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	844,629	(2,047,549)	(2,352,057)
31.	Federal and foreign income taxes incurred	X X X			
32.	Net income (loss) (Lines 30 minus 31)	X X X	844,629	(2,047,549)	(2,352,057)
DETAILS OF WRITE-INS					
0601.	QUALITY ASSURANCE ASSESSMENT PAYMENT	X X X			
0602.	QUALITY ASSESSMENT ASSURANCE FEE	X X X			
0603.	.....	X X X			
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X			
0701.	.....	X X X			
0702.	.....	X X X			
0703.	.....	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	Child Adolescent Outreach		675,142	752,471	973,423
1402.	Clinical Incentive		9,788		
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		684,930	752,471	973,423
2901.	.....			
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	27,107,615	21,559,759	21,559,759
34.	Net income or (loss) from Line 32	844,629	(2,047,549)	(2,352,057)
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	1,091,080	3,807,707	7,117,888
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			
39.	Change in nonadmitted assets	322,212	1,232,046	782,025
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in			
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	2,257,921	2,992,204	5,547,856
49.	Capital and surplus end of reporting period (Line 33 plus 48)	29,365,536	24,551,963	27,107,615
DETAILS OF WRITE-INS				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance	139,785,009	134,498,901	181,529,945
2.	Net investment income	27,467	54,271	65,557
3.	Miscellaneous income	951,564	721,737	(406,941)
4.	Total (Lines 1 to 3)	140,764,040	135,274,909	181,188,561
5.	Benefit and loss related payments	115,263,475	116,177,481	153,143,893
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	22,234,370	21,937,756	29,197,194
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)			
10.	Total (Lines 5 through 9)	137,497,845	138,115,237	182,341,087
11.	Net cash from operations (Line 4 minus Line 10)	3,266,195	(2,840,328)	(1,152,526)
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds			
12.2	Stocks			
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7	Miscellaneous proceeds			
12.8	Total investment proceeds (Lines 12.1 to 12.7)			
13.	Cost of investments acquired (long-term only):			
13.1	Bonds	2,590		1,245,000
13.2	Stocks			
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications			(2,642)
13.7	Total investments acquired (Lines 13.1 to 13.6)	2,590		1,242,358
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	(2,590)		(1,242,358)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock			
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders			
16.6	Other cash provided (applied)	125,168	593,066	237,788
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	125,168	593,066	237,788
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	3,388,773	(2,247,262)	(2,157,096)
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	25,071,609	27,228,705	27,228,705
19.2	End of period (Line 18 plus Line 19.1)	28,460,382	24,981,443	25,071,609

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
20.0002				

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	52,710	52							52,658	
2. First Quarter	52,952	70							52,882	
3. Second Quarter	52,200	67							52,133	
4. Third Quarter	52,154	71							52,083	
5. Current Year										
6. Current Year Member Months	473,272	603							472,669	
Total Member Ambulatory Encounters for Period:										
7. Physician	55,149	105							55,044	
8. Non-Physician	23,783	44							23,739	
9. Total	78,932	149							78,783	
10. Hospital Patient Days Incurred	7,914	12							7,902	
11. Number of Inpatient Admissions	1,970	6							1,964	
12. Health Premiums Written (a)	139,376,706	228,487							139,148,219	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	139,376,706	228,487							139,148,219	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	115,331,275	264,070							115,067,205	
18. Amount Incurred for Provision of Health Care Services	116,242,381	278,882							115,963,499	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
Rx America	507,341					507,341
Rx America						
Rx America						
0199999 Individually Listed Claims Unpaid	507,341					507,341
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	7,129,060					7,129,060
0499999 Subtotals	7,636,401					7,636,401
0599999 Unreported claims and other claim reserves						10,287,602
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						17,924,003
0899999 Accrued Medical Incentive Pool And Bonus Amounts						812,177

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	20,556	242,487	4,063	18,774	24,619	26,354
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid	13,505,966	100,630,427	3,184,614	14,716,552	16,690,580	16,688,844
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	13,526,522	100,872,914	3,188,677	14,735,326	16,715,199	16,715,198
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts	593,154	338,685	288,020	524,157	881,174	1,235,377
13.	Totals (Lines 9 - 10 + 11 + 12)	14,119,676	101,211,599	3,476,697	15,259,483	17,596,373	17,950,575

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

Note 1 - Nature of Business and Significant Accounting Policies

Total Health Care, Inc. (the "Company"), a not-for-profit corporation, operates as a state-licensed health maintenance organization (HMO). Total Health Care, Inc. provides medical services to persons primarily in southeastern Michigan who subscribe as recipients of state health benefits or as individuals.

Total Health Care, Inc., and its wholly owned subsidiaries, Total Health Choice, Inc. and Total Health Care USA, Inc., have common officers on their respective governing boards.

Statutory Basis of Accounting - The financial statements have been prepared in accordance with the NAIC Accounting Practices and Procedures manual and the statutory accounting principles as prescribed by Section 1007 of the Michigan statutes. Statutory accounting principles differ from generally accepted accounting principles (GAAP) in their definition of assets and liabilities. Specifically, certain assets (such as intangible assets and receivables greater than 90 days) are excluded from the statutory basis balance sheet. GAAP net assets exceed statutory net assets by approximately \$688,000 and \$1,011,000 at September 30, 2011 and December 31, 2010, respectively. There are no significant differences between statutory accounting principles prescribed by the NAIC and the State of Michigan accounting requirements that are applicable to the Company.

Cash and Short-term Investments - The Company considers all highly liquid investments purchased with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit in banks or other similar financial institutions with maturity dates of one year or less from the acquisition date are considered cash under statutory accounting principles.

Investments - Short-term investments and long-term certificates of deposit are recorded at amortized cost, which approximates fair market value. Long-term certificates of deposit are classified as bonds on the balance sheet per statutory guidance. Investments in health care subsidiaries are reported at the statutory net worth value of the subsidiary under the equity method and are reported as common stocks on the balance sheet. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in net investment income on the statement of operations. Changes in unrealized gains and losses on investments are included as a direct adjustment to capital and surplus.

Revenue Recognition and Accounts Receivable - Capitation revenue and subscriber premiums are recognized in the period that members are entitled to related health care services. A portion of the health care receivable is due from third-party payors for subscribers located within southeastern Michigan. No allowance for doubtful accounts is recorded in 2011 or 2010. Receivables greater than 90 days old are treated as non-admitted for statutory accounting purposes. Approximately \$448,000 and \$674,000 of receivables greater than 90 days old were non-admitted at September 30, 2011 and December 31, 2010, respectively.

Recognition of Medical and Hospital Expenses - Medical and hospital expenses and the related liabilities are recorded when eligible medical and hospital services are authorized or performed. Unpaid claims represent management's estimate of the ultimate cost to settle all claims incurred prior to year-end. Capitation retained for the settlement of risk-sharing is included in the accrued medical incentive pool liability at September 30, 2011 and December 31, 2010.

Physician Group Contracts - The Company contracts with physician groups for the provision of medical care and compensates the groups on a capitation basis. Physician group contracts have a specialty claims incentive and pay-for-performance incentive. If the providers meet the incentives, they share in the savings and a payable is recorded. If the providers do not meet the incentives, they share in the excess costs and a health care receivable is recorded if deemed collectible by management. During 2011 and 2010, health care receivables and payables have been recorded from/to providers.

Hospital Group Contracts - The Company has contracts with several hospitals and other groups. These contracts are paid under capitated fees or various other charge arrangements.

Malpractice Claims - The Company has a claims-made policy for malpractice insurance. The Company's policy is to accrue for estimated costs of claims and incidents during the term of the claims-made policy.

Notes to Financial Statement

Employee Staffing and Purchased Services Agreement - The Company has an employee staffing and purchased services agreement with a limited liability company, which is responsible for payment of most of the management, operational, and administrative expenses. Ultimate operational control rests with the board of directors of Total Health Care, Inc.

Income Taxes - Total Health Care, Inc. has received federal income tax exemption under Internal Revenue Code Section 501(c)(4). The Company is also exempt from state and local income taxes.

Funds Maintained Under Statutory Requirements - The Company maintains segregated funds under statutory requirements to protect members and health care providers in the event the Company is unable to meet its contractual obligations. These funds can be used only at the direction of the insurance commissioner in accordance with statutory and contractual provisions. These funds are classified according to the nature of the investment. At September 30, 2011 and December 31, 2010, \$1,000,000 and \$1,000,495, respectively was held in cash and short-term certificates of deposit to fulfill these requirements. Interest earned on these funds can be utilized by the Company.

Use of Estimates - The preparation of financial statements in conformity with statutory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Certain significant estimates exist relating to unpaid claims. It is at least reasonably possible that these estimates will be materially revised in the near term.

A reconciliation of the Total Health Care’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Michigan is shown below:

	2011	2010
(1) Net Income - State Basis	844,629	(2,352,057)
(2) State Prescribed Practices (Income): Depreciation of fixed assets	0	0
(3) State Permitted Practices (Income): Depreciation, home office property	0	0
(4) Net Income, NAIC SAP	844,629	(2,352,057)
(5) Statutory Surplus State Basis	29,365,536	27,107,615
(6) State Prescribed Practices (Surplus): Goodwill, net Fixed Assets, net	0	0
(7) State Permitted Practices (Surplus): Home Office Property	0	0
(8) Statutory Surplus, NAIC SAP	29,365,536	27,107,615

Note 2 - Accounting Changes and Corrections of Errors

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Michigan. Effective January 1, 2003, the State of Michigan required that health maintenance organizations domiciled in the state of Michigan prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual in effect on January 1, 2003 subject to any deviations prescribed or permitted by the State of Michigan insurance commissioner. There was no impact on the statutory financial statements as a result of the accounting changes.

Note 3 - Business Combinations and Goodwill

This note is not applicable to the Company.

Note 4 - Discontinued Operations

This note is not applicable to the Company.

Note 5 - Investments

The Company does not have investments relating to mortgage loans, debt restructuring, reverse mortgages, loan-backed securities, repurchase agreement, or real estate.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

Notes to Financial Statement

The Company has no investments in joint ventures, partnerships, or limited liability companies.

Note 7 - Investment Income

The Company has no investment income due and accrued over 90 days past due.

Note 8 - Derivative Instruments

The Company does not invest in derivatives.

Note 9 - Income Taxes

This note is not applicable to the Company.

Note 10 - Information Concerning Parent, Subsidiaries, and Affiliates

NO CHANGE

Note 11 - Debt

This note is not applicable to the Company.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences, and Other Postretirement Benefit Plans

This note is not applicable to the Company.

Note 13 - Capital and Surplus, Stockholders' Divided Restrictions, and Quasi-reorganizations

NO CHANGE

Note 14 - Contingencies

NO CHANGE

Note 15 - Leases

NO CHANGE

Note 16 - Information about Financial Instruments with Off-balance-sheet Risk and Financial Instruments with Concentrations of Credit Risk

This note is not applicable to the Company.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

This note is not applicable to the Company.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

This note is not applicable to the Company.

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third-party Administrators

This note is not applicable to the Company.

Note 20 - Fair Value Measurements

The following table presents information about the Company's assets and liabilities measured at fair value at September 30, 2011, and the valuation techniques used by the Company to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly

Notes to Financial Statement

or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based in the lowest level input that is significant to the valuation. The Company’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Fair Value Measurements at Reporting Date

Description		Level 1	Level 2	Level 3	Total
Assets at fair value					
Money Market					
Funds -	Industrial and misc.	6,197,469			6,197,469
Total assets at fair value		6,197,469			6,197,469

Note 21 – Other Items

NO CHANGE

Note 22 - Events Subsequent

No unusual or material events have occurred subsequent to year-end.

Note 23 - Reinsurance

A. Ceded Reinsurance Report

NO CHANGE

B. Uncollectible Reinsurance

NO CHANGE.

C. Commutation of Ceded Reinsurance

NO CHANGE

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

This note is not applicable to the Company.

Note 25 - Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2010 were \$18,326,582. As of September 30, 2011, \$14,119,676 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$3,476,697 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Comprehensive and Medicaid Medical lines of business. Therefore, there has been a \$730,209 favorable prior-year development since December 31, 2010 to September 30, 2011. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

Note 26 - Intercompany Pooling Arrangements

This note is not applicable to the Company.

Note 27 - Structured Settlements

This note is not applicable to the Company.

Note 28 - Health Care Receivables

NO CHANGE

Note 29 - Participating Policies

This note is not applicable to the Company.

Notes to Financial Statement

Note 30 - Premium Deficiency Reserves

This note is not applicable to the Company.

Note 31 - Anticipated Salvage and Subrogation

NO CHANGE

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organizational chart.

Yes[] No[X]
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[X] N/A[]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2009
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2009
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

04/25/2011
- 6.4 By what department or departments?
MICHIGAN OFFICE OF FINANCIAL AND INSURANCE REGULATION
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[X] No[] N/A[]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[] N/A[]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
N/A		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes[X] No[]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ 0
13. Amount of real estate and mortgages held in short-term investments:

\$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[X] No[]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock	15,424,225	16,515,304
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	15,424,225	16,515,304
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.
- Yes[] No[X]
Yes[] No[] N/A[X]
16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:
- Yes[X] No[]

1 Name of Custodian(s)	2 Custodian Address
COMERICA BANK - LYNN HUTZEL-UISEL	PO BOX 75000, DETROIT, MI 48275
US BANK - LESLEY KOGER	515 GRISWOLD ST. STE 550, DETROIT, MI 48226 .

- 16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?
16.4 If yes, give full and complete information relating thereto:
- Yes[] No[X]

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

- 16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
.....

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
17.2 If no, list exceptions:
NOT REQUIRED BY STATE OF DOMICILE
- Yes[] No[X]

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	83.510%
1.2 A&H cost containment percent	0.200%
1.3 A&H expense percent excluding cost containment expenses	15.970%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Accident and Health - Affiliates						
60739	74-0484030 .....	..... 11/01/2010	AMERICAN NATL INS CO	TX .....	..... SSL/L/I .....	..... Yes[X] No[]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	L	228,487		139,148,219				139,376,706	
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X	228,487		139,148,219				139,376,706	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a)..... 1	228,487		139,148,219				139,376,706	
DETAILS OF WRITE-INS										
5801.	.....	X X X								
5802.	.....	X X X								
5803.	.....	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

TOTAL HEALTH CARE, INC. – PARENT
38-2018957, NAIC #95644, STATE OF MICHIGAN

TOTAL HEALTH CARE USA, INC. – WHOLLY OWNED SUBSIDIARY OF TOTAL HEALTH CARE, INC.
383240485, NAIC #12326, STATE OF MICHIGAN

TOTAL HEALTH CHOICE, INC. – WHOLLY OWNED SUBSIDIARY OF TOTAL HEALTH CARE, INC.
33-0603319, NAIC #95134, STATE OF FLORIDA

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
4704.			
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796)			

STATEMENT AS OF **September 30, 2011** OF THE **TOTAL HEALTH CARE, INC.**
SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points		
9.	Total foreign exchange change in book value/recorded investment		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	16,666,583	8,306,337
2.	Cost of bonds and stocks acquired	2,590	1,245,000
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)	1,091,079	7,115,246
5.	Total gain (loss) on disposals		
6.	Deduct consideration for bonds and stocks disposed of		
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	17,760,252	16,666,583
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	17,760,252	16,666,583

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	1,244,355	593			1,244,158	1,244,355	1,244,948	1,242,358
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	1,244,355	593			1,244,158	1,244,355	1,244,948	1,242,358
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	1,244,355	593			1,244,158	1,244,355	1,244,948	1,242,358

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	6,197,469	X X X	6,197,469	5,623	

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	6,714,228	16,160,753
2.	Cost of short-term investments acquired	3,272,241	8,613,135
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	3,789,000	18,059,660
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	6,197,469	6,714,228
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	6,197,469	6,714,228

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05	Schedule DB Part C Section 1	NONE
-------------	-------------------------------------	-------------

SI06 Schedule DB Part C Section 2 NONE

SI07	Schedule DB - Verification	NONE
-------------	---	-------------

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 2	NONE
E02	Schedule B Part 3	NONE
E03	Schedule BA Part 2	NONE
E03	Schedule BA Part 3	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E07	Schedule DB Part B Section 1	NONE
E08	Schedule DB Part D	NONE
E09	Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E10	Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
Comerica Bank	COMERICA, DETROIT, MI			0.090	2,204	692	16,264,358	17,471,598	15,217,238	X X X
US Bank	US BANK, DETROIT, MI		SD				1,000,000	1,000,000	1,000,000	X X X
First Bank of Ohio Tiffin CD	COMERICA, DETROIT, MI	04/27/2010		0.700						X X X
Independence Bank Newport Beach	COMERICA, DETROIT, MI	04/27/2010		0.650						X X X
Independence Bank Newport Beach	COMERICA, DETROIT, MI	04/27/2010		0.650						X X X
Kansas State Bank of Manhattan	COMERICA, DETROIT, MI	04/27/2010		0.490						X X X
Fifth Third Bnk	COMERICA, DETROIT, MI	04/27/2010		0.450						X X X
State Bank of India	COMERICA, DETROIT, MI	04/27/2010		1.180						X X X
The Upstate National Bank	COMERICA, DETROIT, MI	04/27/2010		0.920						X X X
American National BK of MN	COMERICA, DETROIT, MI	08/03/2010		0.450	194		250,000			X X X
First National Bank & Td	COMERICA, DETROIT, MI	08/03/2010		0.200	2		7,000			X X X
Mercantile Bank of MI	COMERICA, DETROIT, MI	08/03/2010		0.300	101		196,000			X X X
Merrick Bank	COMERICA, DETROIT, MI	08/03/2010		0.300	51		99,000			X X X
Summit Bank CD	COMERICA, DETROIT, MI	08/03/2010		0.840	11					X X X
Summit Bank CD	COMERICA, DETROIT, MI	08/03/2010		0.840	11					X X X
M&I Marshall&Isley bank	COMERICA, DETROIT, MI	08/03/2010		0.496	214		250,000			X X X
M&T Bank, Nat'l Assoc.	COMERICA, DETROIT, MI	08/03/2010		0.450	194		250,000			X X X
Vist Bank CD	COMERICA, DETROIT, MI	08/03/2010		0.450	194		250,000			X X X
Merrick Bank	COMERICA, DETROIT, MI	10/26/2010		0.300	75	49	99,000	99,000	99,000	X X X
Pacific Commerce Bank	COMERICA, DETROIT, MI	10/26/2010		0.240	90	67	149,000	149,000	149,000	X X X
State Bank of India	COMERICA, DETROIT, MI	10/26/2010		0.200	126	123	250,000	250,000	250,000	X X X
Tennessee State Bank	COMERICA, DETROIT, MI	10/26/2010		0.450	284	154	250,000	250,000	250,000	X X X
Benchmark Bank	COMERICA, DETROIT, MI	10/26/2010		0.401	101	59	100,000	100,000	100,000	X X X
Benchmark Bank	COMERICA, DETROIT, MI	10/26/2010		0.401	101	59	100,000	100,000	100,000	X X X
Bar Harbor Bank & Trust	COMERICA, DETROIT, MI	10/27/2010		0.180	54	49	120,000	120,000	120,000	X X X
Gateway Bank of FL	COMERICA, DETROIT, MI	10/27/2010		0.260	62	47	95,000	95,000	95,000	X X X
Heritage Bank of North Florida	COMERICA, DETROIT, MI	10/27/2010		0.400	100	57	99,000	99,000	99,000	X X X
Aurora BK FSB of Wilmington Del	COMERICA, DETROIT, MI	02/09/2011		0.300		479	248,741	248,786	248,826	X X X
China Bank of New York City	COMERICA, DETROIT, MI	02/09/2011		0.450		718	248,933	248,945	248,955	X X X
Beal Bank of Plano, Texas	COMERICA, DETROIT, MI	02/09/2011		0.350		449	199,844	199,872	199,896	X X X
Beal Bank of Nevada Las Vegas	COMERICA, DETROIT, MI	02/09/2011		0.350		119	52,959	52,966	52,972	X X X
Safra CTF DEP	COMERICA, DETROIT, MI	02/04/2011		0.300		489	248,749	248,796	248,836	X X X
Standard Bk & TR Co of Hickory Hill	COMERICA, DETROIT, MI	02/09/2011		0.350		559	248,806	248,841	248,868	X X X
Cathay Bank	COMERICA, DETROIT, MI	02/01/2011		0.350	221	134	250,000	250,000	250,000	X X X
Discover Bank	COMERICA, DETROIT, MI	02/02/2011		0.300	189	123	250,000	250,000	250,000	X X X
The Upstate National Bank	COMERICA, DETROIT, MI	04/27/2011		0.500	125	65	99,000	99,000	99,000	X X X
1st Financial Bank USA	COMERICA, DETROIT, MI	04/27/2011		0.520	130	69	99,000	99,000	99,000	X X X
1st Financial Bank USA	COMERICA, DETROIT, MI	04/27/2011		0.520	130	69	99,000	99,000	99,000	X X X
Capstar Bank	COMERICA, DETROIT, MI	04/27/2011		0.640	186	95	115,000	115,000	115,000	X X X
Heritage bank of Central Ill	COMERICA, DETROIT, MI	04/27/2011		0.201	44	36	87,000	87,000	87,000	X X X
Industrial bank	COMERICA, DETROIT, MI	04/27/2011		0.380	239	144	250,000	250,000	250,000	X X X
State Bank of India	COMERICA, DETROIT, MI	04/27/2011		0.670	422	205	250,000	250,000	250,000	X X X
Beal BK Las Vegas Nevada	COMERICA, DETROIT, MI	06/29/2011		0.300		151	195,387	195,535	195,652	X X X
Bank of Baroda New York	COMERICA, DETROIT, MI	07/21/2011		0.350	(2)	174	248,198	248,390	248,542	X X X
Compass Bank Birmingham Alabama	COMERICA, DETROIT, MI	07/28/2011		0.550		131	248,031	248,241	248,407	X X X
GE Money Bank	COMERICA, DETROIT, MI	08/22/2011		0.350	(7)	102		248,211	248,382	X X X
Goldman Sachs Bank USA	COMERICA, DETROIT, MI	08/24/2011		0.250	(9)	65		247,947	248,141	X X X
Green Bank National Association	COMERICA, DETROIT, MI	08/03/2011		0.300	60	134		250,000	250,000	X X X
Crestmark Bank	COMERICA, DETROIT, MI	08/08/2011		0.600	49	123		250,000	250,000	X X X
Mountain National Bank	COMERICA, DETROIT, MI	08/10/2011		0.610	18	50		99,000	99,000	X X X
Apple Bank for Savings New York	COMERICA, DETROIT, MI	09/21/2011		0.350		24			248,198	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X	5,966	6,064	23,267,006	24,268,128	22,262,913	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	5,966	6,064	23,267,006	24,268,128	22,262,913	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	5,966	6,064	23,267,006	24,268,128	22,262,913	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents

**INDEX TO HEALTH
QUARTERLY STATEMENT**

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11

Accounting Practices and Policies; Q5; Q10, Note 1

Admitted Assets; Q2

Bonds; Q2; Q6; Q11.1; Q11.2; QE04; QE05

Bonuses; Q3; Q4; Q8; Q9

Borrowed Funds; Q3; Q6

Business Combinations and Goodwill; Q10, Note 3

Capital Gains (Losses)

 Realized; Q4

 Unrealized; Q4; Q5

Capital Stock; Q3; Q10, Note 13

Capital Notes; Q6; Q10, Note 11

Caps; QE06; QSI04

Cash; Q2; Q6; QE11

Cash Equivalents; Q2; Q6; QE12

Claims; Q3; Q4; Q8; Q9

Collars; QE06; QSI04

Commissions; Q6

Common Stock; Q2; Q3; Q6; Q11.1; Q11.2

Cost Containment Expenses; Q4

Contingencies; Q10, Note 14

Counterparty Exposure; Q10, Note 8; QE06; QE08

Debt; Q10, Note 11

Deferred Compensation; Q10, Note 12

Derivative Instruments; Q10, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08

Discontinued Operations; Q10, Note 4

Electronic Data Processing Equipment; Q2

Encumbrances; Q2; QSI01; QE01

Emergency Room; Q4

Expenses; Q3; Q4; Q6

Extinguishment of Liabilities; Q10, Note 17

Extraordinary Item; Q10, Note 21

Fair Value; Q7, Note 20

Fee for Service; Q4

Foreign Exchange; Q2; Q3; Q5; QSI01; QSI03; QE01; QE02; QE03; QE05

Forwards; QE06; QSI04

Furniture, Equipment and Supplies; Q2

Guaranty Fund; Q2

Health Care Receivables; Q2; Q9; Q10, Note 28

Hospital/Medical Benefits; Q4

Incentive Pools; Q3; Q4; Q8; Q9

Income; Q4; Q5; Q6

Income Taxes; Q2; Q3; Q4; Q5; Q10, Note 9

Incurred Claims and Claim Adjustment Expenses; Q10, Note 25

Intercompany Pooling; Q10, Note 26

Investment Income; Q10, Note 7

 Accrued; Q2

 Earned; Q2; QSI03

 Received; Q6

Investments; Q10, Note 5; Q11.1; Q11.2; QE08

Joint Venture; Q10, Note 6

Leases; Q10, Note 15

Limited Liability Company (LLC); Q10, Note 6

Limited Partnership; Q10, Note 6

Long-Term Invested Assets; Q2; QE03

Managing General Agents; Q10, Note 19

Medicare Part D Coverage; QSupp1

Member Months; Q4; Q7

Mortgage Loans; Q2; Q6; Q11.1; QSI01; QE02

Nonadmitted Assets; Q2; Q5; QSI01; QSI03

Off-Balance Sheet Risk; Q10, Note 16

Options; QE06; QSI04

Organizational Chart; Q11; Q14

Out-of-Area; Q4

Outside Referrals; Q4

Parent, Subsidiaries and Affiliates; Q2; Q3; Q10, Note 10; Q11.1

Participating Policies; Q10, Note 29

Pharmaceutical Rebates; Q10, Note 28

Policyholder Dividends; Q5; Q6

Postemployment Benefits; Q10, Note 12

Postretirement Benefits; Q10, Note 12

Preferred Stock; Q2; Q3; Q6; Q11.1; Q11.2

Premium Deficiency Reserves; Q10, Note 30

**INDEX TO HEALTH
QUARTERLY STATEMENT**

Premiums and Considerations	
Advance; Q3	
Collected; Q6	
Deferred; Q2	
Direct; Q7; Q13	
Earned; Q7	
Retrospective; Q2	
Uncollected; Q2	
Unearned; Q4	
Written; Q4; Q7	
Prescription Drugs; Q4	
Quasi Reorganizations; Q10, Note 13	
Real Estate; Q2; Q6; QE01; QSI01	
Redetermination, Contracts Subject to; Q10, Note 24	
Reinsurance; Q9; Q10, Note 23	
Ceded; Q3; Q12	
Funds Held; Q2	
Payable; Q3	
Premiums; Q3	
Receivable; Q2; Q4	
Unauthorized; Q3; Q5	
Reserves	
Accident and Health; Q3; Q4	
Claim; Q3; Q5; Q8	
Life; Q3	
Retirement Plans; Q10, Note 12	
Retrospectively Rated Policies; Q10, Note 24	
Risk Revenue; Q4	
Salvage and Subrogation; Q10, Note 31	
Securities Lending; Q2; Q3; QE09; QE10	
Servicing of Financial Assets; Q10, Note 17	
Short-Term Investments; Q2; Q6; Q11.1; QSI03	
Stockholder Dividends; Q5; Q6	
Subsequent Events; Q10, Note 22	
Surplus; Q3; Q5; Q6	
Surplus Notes; Q3; Q5; Q6	
Swaps; QE07; QSI04	
Synthetic Assets; QSI04; QSI05	
Third Party Administrator; Q10, Note 19	
Treasury Stock; Q3; Q5	
Uninsured Accident and Health; Q2; Q3; Q10, Note 18	
Valuation Allowance; QSI01	
Wash Sales; Q10, Note 17	
Withholds; Q4; Q8	